

NEWS RELEASE



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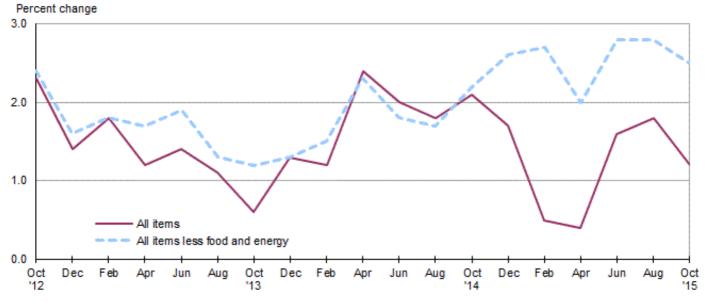
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Consumer Price Index, Seattle area — October 2015 Area prices were down 0.3 percent over the past two months, up 1.2 percent from a year ago

Prices in the Seattle Area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), decreased 0.3 percent for the two months ending in October 2015, the U.S. Bureau of Labor Statistics reported today. (See <u>table A</u>.) Regional Commissioner Richard J. Holden noted that the October decrease was influenced by lower prices for gasoline. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 1.2 percent. (See <u>chart 1</u> and <u>table A</u>.) Energy prices dropped 15.1 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy advanced 2.5 percent over the year. (See <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Seattle, October 2012-October 2015



Source: U.S. Bureau of Labor Statistics.

Food

Food prices increased 0.2 percent for the two months ending in October. (See <u>table 1</u>.) Prices for food away from home rose 0.3 percent, and prices for food at home advanced 0.2 percent for the same period.

Over the year, food prices increased 2.0 percent. Prices for food away from home rose 2.6 percent since a year ago, and prices for food at home moved up 1.6 percent.

Energy

The energy index fell 11.4 percent for the two months ending in October. The decrease was mainly due to lower prices for gasoline (-19.6 percent). Prices for electricity decreased 0.3 percent, but prices for natural gas service edged up 0.1 percent over the past two months.

Energy prices dropped 15.1 percent over the year, largely due to lower prices for gasoline (-27.9 percent). Prices paid for electricity increased 7.6 percent, and prices for natural gas service advanced 5.5 percent during the past year.

All items less food and energy

The index for all items less food and energy advanced 0.5 percent in the latest two-month period. Higher prices for apparel (2.3 percent), medical care (0.9 percent), education and communication (0.8 percent), and shelter (0.5 percent) were partially offset by lower prices for other goods and services (-0.6 percent).

Over the year, the index for all items less food and energy advanced 2.5 percent. Components contributing to the increase included shelter (5.1 percent), apparel (2.1 percent), and education and communication (0.9 percent). Partly offsetting the increases were price declines in other goods and services (-1.8 percent) and household furnishings and operations (-1.3 percent).

Table A. Seattle-Tacoma-Bremerton CPI-U bi-monthly and annual percent changes (not seasonally adjusted)

	2010		2011		2012		2013		2014		2015	
Month	Bi- monthly	Annual	Bi- monthly	Annual								
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February	0.2	0.6	1.2	1.5	0.4	2.7	0.8	1.8	0.7	1.2	0.2	1.1
April	0.2	0.3	0.8	2.1	0.9	2.9	0.4	1.2	1.6	2.4	0.9	0.4
June	-0.2	-0.5	0.8	3.2	0.7	2.7	0.8	1.4	0.4	2.0	1.6	1.6
August	0.7	0.2	0.2	2.7	0.3	2.7	0.0	1.1	-0.2	1.8	0.0	1.8
October	-0.2	0.4	0.9	3.8	0.5	2.3	0.0	0.6	0.3	2.1	-0.3	1.2
December	-0.2	0.6	-0.5	3.5	-1.4	1.4	-0.7	1.3	-1.1	1.7		

The December 2015 Consumer Price Index for the Seattle-Tacoma-Bremerton is scheduled to be released on January 20, 2016.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17 a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Seattle-Tacoma-Bremerton, WA. metropolitan area covered in this release is comprised of Island, King, Kitsap, Pierce, Snohomish, and Thurston Counties in the State of Washington.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Seattle-Tacoma-Bremerton, WA (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-			
Item and Group	Aug. 2015	Sep. 2015	Oct. 2015	Oct. 2014	Aug. 2015	Sep. 2015	
Expenditure category							
All items	251.617	-	250.831	1.2	-0.3	-	
All items (1967=100)	767.027	-	764.629	-	-	-	
Food and beverages	259.640	-	260.193	1.9	0.2	-	
Food	262.673	-	263.256	2.0	0.2	-	
Food at home	251.412	252.829	251.851	1.6	0.2	-0.4	
Food away from home	280.575	-	281.380	2.6	0.3		
Alcoholic beverages	223.956	-	224.201	0.9	0.1		
Housing	275.841	-	277.149	4.5	0.5		
Shelter	309.149	308.765	310.820	5.1	0.5	0.7	
Rent of primary residence (1)	310.511	312.657	315.144	5.3	1.5	3.0	
Owners' equiv. rent of residences (1) (2)	322.043	323.726	325.767	5.1	1.2	0.6	
Owners' equiv. rent of primary residence (1) (2)	322.043	323.726	325.767	5.1	1.2	0.6	
Fuels and utilities	255.290	-	254.262	4.8	-0.4		
Household energy	235.401	235.580	234.674	5.7	-0.3	-0.4	
Energy services (1)	280.430	280.487	279.677	7.2	-0.3	-0.3	
Electricity (1)	295.114	295.187	294.082	7.6	-0.3	-0.4	
Utility (piped) gas service (1)	191.211	191.211	191.449	5.5	0.1	0.1	
Household furnishings and operations	172.807	-	174.224	-1.3	0.8		
Apparel	130.658	_	133.721	2.1	2.3		
Transportation.	219.940	_	208.302	-7.8	-5.3	_	
Private transportation.	228.312		214.128	-8.7	-6.2		
Motor fuel	330.712	297.968	266.313	-27.9	-19.5	-10.6	
			271.460	I	I .	-10.8	
Gasoline (all types)	337.788	304.207		-27.9	-19.6		
Gasoline, unleaded regular (3)	369.174	331.147	294.622	-28.8	-20.2	-11.0	
Gasoline, unleaded midgrade (3) (4)	262.863	238.953	213.230	-26.4	-18.9	-10.8	
Gasoline, unleaded premium (3)	302.294	275.333	249.700	-24.3	-17.4	-9.3	
Medical care	378.415	-	381.808	0.5	0.9		
Recreation (5)(5)	96.654	-	97.074	0.6	0.4	-	
Education and communication (5)	139.418	-	140.529	0.9	0.8	-	
Other goods and services	395.465	-	393.005	-1.8	-0.6	-	
Commodity and service group							
All items	251.617	-	250.831	1.2	-0.3		
Commodities	191.711	-	188.157	-3.3	-1.9	-	
Commodities less food & beverages	157.973	-	152.669	-6.9	-3.4	-	
Nondurables less food & beverages	189.266	-	178.141	-10.0	-5.9		
Durables	125.965	-	126.419	-2.2	0.4		
Services	307.540	-	309.200	3.8	0.5	-	
Special aggregate indexes							
All items less medical care	245.907	-	244.921	1.3	-0.4		
All items less shelter	229.935	-	228.106	-0.9	-0.8		
Commodities less food	160.791	-	155.700	-6.5	-3.2		
Nondurables	223.079	-	217.436	-3.6	-2.5		
Nondurables less food	192.307	-	182.031	-9.1	-5.3		
Services less rent of shelter (2)	313.258	_	314.926	2.2	0.5		
Services less medical care services.	299.751	_	300.996	4.1	0.4		
Energy	289.985	273.434	256.875	-15.1	-11.4	-6.1	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Seattle-Tacoma-Bremerton, WA (1982-84=100 unless otherwise noted) - Continued

	Indexes			Percent change from-			
Item and Group	Aug. 2015	Sep. 2015	Oct. 2015	Oct. 2014	Aug. 2015	Sep. 2015	
All items less energy			253.214 251.754		0.5 0.5	-	

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

NOTE: Index applies to a month as a whole, not to any specific date.

⁽²⁾ Index is on a November 1982=100 base.

⁽³⁾ Special index based on a substantially smaller sample.

⁽⁴⁾ Indexes on a December 1993=100 base.

⁽⁵⁾ Indexes on a December 1997=100 base.

⁻ Data not available